

SCS SB 295 -- Delinquent Tax Collection

Sponsor: Shields

This substitute modifies the provisions of the delinquent tax collection laws.

The substitute extends the collection laws to include mineral rights and royalty interests within the scope of items subject to sale to discharge a tax lien and removes the provisions that allow the partial sale of land to satisfy taxes.

The substitute also reduces from seven to three years the time that the State Treasurer must hold the proceeds from the sale on behalf of absent owners. If there is no trustee in a county or if there is a trustee that has not taken the property after a third offering of sale where no sale occurred, the collector may then sell the property at any time and for any amount.

The substitute also removes the requirement that the collector notify the person entitled to any excess funds from the sale and reduces the redemption time for receiving land purchased at a sale from two years to one year.

The collector is allowed to charge a title search fee and the recording fee. If a collector charges for the recording fee, he or she is responsible for recording the deed. Nonresidents or delinquent taxpayers are restricted from being assigned certificates of purchase.

The substitute also modifies the provisions concerning the rights of subsequent purchasers where a primary purchaser has caused taxes on the property to become delinquent. In this case, the first purchaser will forfeit all liens on the property.